GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2999
ANSWERED ON:18.12.2008
OPENING OF LPG RETAIL DISTRIBUTORSHIPS BY ONGC AND OIL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Oil and Natural Gas Corporation (ONGC) and Oil India Ltd. (OIL) have planned for opening of LPG / Retail Distributorship in the country ;

(b) if so, whether any merger of OIL PSUs have been planned for ; and

(c) if so, its effects in the domestic market ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) : Consequent to the grant of authorization to market transportation fuels in terms of the Government Resolution of 8th March 2002, Oil and Natural Gas Corporation Limited (ONGC) has commissioned one retail outlet at Mangalore. ONGC does not propose to set up more retail outlets in the country at present.

The Government had, in February, 2005 granted authorization for marketing of indigenously produced LPG to ONGC, subject to certain terms and conditions. The operational issues related to LPG marketing by new entrants were examined, and considering, inter-alia, the present mechanism of meeting the subsidy on domestic LPG, the authorization was withdrawn in the month of January, 2006.

Government have not given authorization to Oil India Limited (OIL) to market LPG/ transportation fuels.

(b) No, Sir.

(c) Does not arise in view of (a) and (b) above.